

worse in North Carolina than it is in Virginia, South Carolina, California, or New York. It is my mature judgment that we must face this situation without prejudice, passion, or politics, and in recognition of all factors involved, and go to the utmost limit to reduce the property tax. But let us remember that there is another day, and that the future of North Carolina lies with gravest responsibility largely in our hands as we struggle through this period to make more productive the sweat or honest toil and more effective the result of scientific management.

It was a difficult task in 1929, when we thought North Carolina was perpetually endowed with prosperity to raise general fund revenue in the amount of 15 million dollars. What we are trying to do now in hard times and business adversity is to raise the 15 millions we raised in 1929, which was found to be inadequate, and which necessitated my cutting appropriations more than three million dollars to meet the first shock of the on-coming depression. We are now not only planning to raise this fifteen millions, but we are struggling to raise an additional twelve to fourteen millions. I say frankly that in my judgment, this is an operation too drastic, too precipitate, too burdensome to be accomplished at one time. I say it with gravest concern, but with full knowledge of the fact that with possibly two exceptions North Carolina's agriculture, industry, labor, occupations and professions are suffering from the most acute prostration of any period in modern times. We are more than blind if we ignore this economic truth in the proceedings of this Assembly.

I have a definite philosophy about the needs of North Carolina, and every recommendation I made to you and every bill presented by me for your consideration was motivated by only one definite purpose; namely, economy, efficiency, and tax reduction on property. I have not pressed a single measure before you that did not have a terminal in this objective.

Every major recommendation in my biennial message was in harmony with the realization of this obligation and drove in the direction of this goal. My recommendations with respect to education, highways and roads, fiscal problems, state reorganization and consolidation, and local government were integral parts of a maturely thought out pattern of action to reduce taxes on land and property. I have never for a moment departed in my policies or in my thinking from my message in which I emphasized that taxes on property must be reduced.

They will be reduced and when this General Assembly returns to the people who sent them here with the program of this administration written into law, you will carry with you the greatest tax reduction on land and property of any General Assembly in the history of North Carolina. And you will do this without imposing a new burden of nine or ten million dollars in the form of a sales tax on the backs and stomachs of two and one-half million of our people who through adversity, poverty, and misfortune have never been able to own a home or possess a tract of land.

I am ready to stand on this record and as the leader of my party in this critical hour, I accept the responsibility and will go forward against all opposition in the next campaign confident of the approval of this great majority of the citizens of this State. In my judgment neither of the proposed sales tax bills would receive one-third of the votes of the citizens of this State if submitted to a referendum:

If this plan is adopted and carried through, I bespeak here and now the